

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CLARK RURAL ELECTRIC)	
COOPERATIVE CORPORATION)	
)	
AND)	
)	
BELLSOUTH TELECOMMUNICATIONS,)	
INC.)	CASE NO. 96-045
)	
_____)	
)	
ALLEGED FAILURE TO COMPLY WITH)	
COMMISSION REGULATIONS)	

O R D E R

On February 20, 1996, the Commission ordered Clark Rural Electric Cooperative Corporation ("Clark RECC") and BellSouth Telecommunications, Inc. ("BellSouth") to appear at a hearing to show cause why they should not be penalized pursuant to KRS 278.990(1) for their alleged violations of 807 KAR 5:006, Section 26,¹ 807 KAR 5:041, Section 3,² and 807 KAR 5:061, Section 3.

Following the commencement of this case, BellSouth and Commission Staff entered into negotiations to resolve all outstanding issues. On March 31, 1997, they executed a Settlement Agreement, which is appended hereto.

¹ On March 12, 1996, the Commission, finding that this case does not involve a violation by BellSouth of 807 KAR 5:006, Section 26, entered an Order dismissing the alleged violation from this proceeding.

² On May 1, 1996, the Commission, finding that this case does not involve a violation by Clark RECC, entered an Order dismissing its alleged violation of 807 KAR 5:041, Section 3, from this proceeding.

The Commission, having reviewed the Settlement Agreement, and being otherwise sufficiently advised, finds that it is in accordance with the law, does not violate any regulatory principle, results in a reasonable resolution of this case, and is in the public interest.

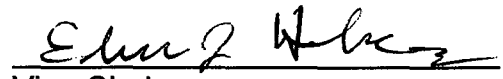
IT IS THEREFORE ORDERED that:


1. The Settlement Agreement is incorporated into this Order as if fully set forth herein.
2. The terms and conditions set forth in the Settlement Agreement are adopted and approved.
3. Within 10 days of the date of this Order, BellSouth shall pay to the Commonwealth of Kentucky the sum of Five Hundred (\$500) Dollars. This payment shall be in the form of a cashier's or certified check made payable to "Treasurer, Commonwealth of Kentucky" and shall be mailed or delivered to: Office of General Counsel, Public Service Commission of Kentucky, 730 Schenkel Lane, Post Office Box 615, Frankfort, Kentucky 40602.
4. This case is closed and shall be removed from the Commission's docket.

Done at Frankfort, Kentucky, this 17th day of April, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX
AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 96-045 DATED APRIL 17, 1997

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CLARK RURAL ELECTRIC COOPERATIVE)	
CORPORATION)	
)	
AND)	
)	
BELLSOUTH TELECOMMUNICATIONS, INC.)	
)	CASE NO. 96-045
_____)	
)	
ALLEGED FAILURE TO COMPLY)	
WITH COMMISSION REGULATIONS)	

SETTLEMENT AGREEMENT

This settlement agreement, made and entered into this
31ST day of March, 1997, between BellSouth
Telecommunications, Inc., ("BellSouth") and the Public
Service Commission staff:

W I T N E S S E T H:

THAT, WHEREAS, on or about September 1, 1995, an
electric contact accident occurred near Long Branch Road in
Jeffersonville, Kentucky, which injured Marvin Watkins; and

WHEREAS, the Public Service Commission investigated the
cause of the accident and determined that a probable

violation of the National Electric Safety Code (NESC) had occurred since BellSouth's telephone line was below the required minimum clearance as measured after the accident; and

WHEREAS, the Public Service Commission on February 20, 1996, entered a Show Cause Order in Case No. 96-045 against BellSouth for alleged failure to comply with 807 KAR 5:006, Section 26 and 807 KAR 5:061, Section 3; and

WHEREAS, on March 12, 1996, the Public Service Commission issued an order finding that the September 1, 1995, incident did not involve a violation of 807 KAR 5:006, Section 26, and the alleged violation of that portion of the regulation was dismissed from this proceeding; and

WHEREAS, on April 19, 1996, BellSouth appeared before the Kentucky Public Service Commission staff at an informal conference to discuss the allegations made in the Public Service Commission's Show Cause Order; and

WHEREAS, on May 1, 1996, the Kentucky Public Service Commission entered an order dismissing from this proceeding the alleged violation of Commission regulation 807 KAR

5:041, Section 3, for which Clark RECC has been erroneously cited; and

WHEREAS, the parties hereto desire to enter into this Settlement Agreement to resolve the issues raised by the Public Service Commission's Show Cause Order; and

WHEREAS, BellSouth and Commission Staff stipulate that:

1. BellSouth, a Georgia Corporation doing business as a telephone utility in the state of Kentucky, is regulated by the Commission.

2. BellSouth installs, operates, and maintains telecommunications facilities throughout its service area within the state of Kentucky.

3. Commission regulation 807 KAR 5:061, Section 3, requires a telephone utility to use the National Electrical Safety Code (1990 Edition "NESC") as a standard of accepted good engineering practice for the construction and maintenance of its plant and facilities.

4. BellSouth has the duty under Chapter 278 of the Kentucky Revised Statutes and regulations promulgated thereunder, to comply with the applicable provisions of the NESC.

5. On September 1, 1995, Marvin Watkins, while tying a telephone line to a neutral line and a 7,200 volt single phase line, on Long Branch Road, in Jeffersonville, Kentucky, suffered burns when he made contact with the 7,200 volt line. As a result of his injuries, Mr. Watkins was treated at Mary Chiles Hospital in Mt. Sterling, Kentucky. He was also treated at the University of Kentucky Medical Center in Lexington, Kentucky.

6. BellSouth timely notified the Commission of the incident as required by Commission Regulation 807 KAR 5:006, Section 26.

7. BellSouth filed with the Commission a written report of the incident as required by Commission regulation 807 KAR 5:006, Section 26(2).

8. The lines that are the subject of this proceeding are located in an area of very steep and uneven terrain.

9. The clearance between BellSouth's lines and the ground was measured at 6'6" on September 1, 1995, after the accident, instead of 9'6" as required by the NESC.

10. On May 1, 1996, the Commission entered an order dismissing from this proceeding the alleged violation of

Commission Regulation 807 KAR 5:041, Section 3, for which Clark RECC had been erroneously cited.

NOW THEREFORE, BellSouth and Commission staff agree that:

1. Within ten days after the entry of an order approving this Settlement Agreement, BellSouth shall pay to the Commonwealth of Kentucky a civil penalty of five hundred dollars (\$500). This payment shall be in the form of a check made payable to "Treasurer, Commonwealth of Kentucky" and shall be mailed or delivered to: Office of General Counsel, Public Service Commission of Kentucky, 730 Schenkel Lane, P. O. Box 615, Frankfort, Kentucky 40602.

2. This Settlement Agreement resolves all issues arising out of the September 1, 1995, incident.

3. This Agreement is subject to the acceptance of and approval of the Public Service Commission.


4. The parties stipulate and agree that there is no admission of liability by BellSouth and this Settlement Agreement and the stipulations contained herein may not be cited in any other matter or proceeding.

5. This cause shall be terminated upon entry of a Public Service Commission order accepting this Settlement


Agreement in satisfaction of the Show Cause Order of
February 20, 1996.

6. If the Public Service Commission fails to accept
and approve this Settlement Agreement in its entirety, this
proceeding shall go forward and each of the terms of the
Settlement Agreement or any matters raised during settlement
negotiations or contained herein shall not be binding on
either signatory.

BellSouth Telecommunications, Inc.


By: Dorothy J. Chambers
General Attorney

Staff of Public Service Commission
Kentucky


By: Denise Wade
Staff Attorney